

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:)	Bankruptcy Case No. 23-20103-CMB
)	
John R. Smith and)	Chapter 13
Lynda K. Smith,)	
Debtors,)	Doc. No.
_____)	
)	Related to Doc. No. 31, 40
John R. Smith and)	
Lynda K. Smith,)	Hearing Date and Time: March 26, 2024 at
)	2:30 p.m.
Movants,)	
v.)	
LoanDepot.com, LLC)	
)	
Respondent.)	

**STATUS REPORT ON DEBTORS' MOTION FOR STATUS CONFERENCE
REGARDING MORTGAGE LOAN ACCOUNT**

AND NOW, come Movants John R. Smith and Lynda K. Smith, through undersigned counsel, and file this Status Report on Debtor's Motion for Status Conference Regarding Mortgage Loan Account, and in support thereof aver as follows:

1. Debtors filed for relief under Chapter 13 of the United States Bankruptcy Code on January 18, 2023 (the "Petition Date").
2. The mortgage creditor in this case is Loan Depot, LLC.
3. Debtors' Chapter 13 Plan was confirmed on a final basis on March 1, 2023 [Doc. No. 25].
4. As of the Petition Date, Debtors were current on their residential mortgage payments.

5. Respondent LoanDepot, LLC is the holder of a mortgage on Debtors' residence. As of the Petition Date, Debtors owed \$81,946.02 on their note, and their payments were current, as reflected in the proof of claim (the "Claim") filed by Respondent at Claim No. 6.

6. Debtor's plan payments are current, and distributions to Loan Depot, LLC (through the Chapter 13 Trustee) remain current.

7. However, Loan Depot, LLC's monthly statement mailed to Debtors represented that the mortgage payments were in arrears. One issue early in the case is that a Trustee's distribution check was lost and later replaced. Another issue appeared to be that statements reflected that certain Trustee distributions were being held in an unapplied 'bucket' until manually applied to the Debtors' mortgage account.

8. Debtors filed a Motion for Status Conference on December 5, 2023 [Doc. No. 31] and a Status Conference was held on January 9, 2024 [Doc. No. 40]. The Status Conference was continued to January 26, 2024 [Doc. No. 40].

9. Through the March 1, 2024 mortgage information statement sent to Debtors, the issues were not resolved. The mortgage information statement continued to reflect funds held in a 'bucket' and made reference to potential late fees. In addition, the monthly mortgage payment as reflected in the statement is slightly higher than the payment approved through the most recent declaration of mortgage payment change. Finally, Debtors complain that the status of the mortgage account is being improperly reported to at least one credit bureau.

10. Counsel for Loan Depot, LLC has been responsive, and has provided an updated March 2024 statement which applies the funds in the unapplied 'bucket.'

11. Undersigned counsel has also been assured that the credit bureau reporting has been or will shortly be corrected.

12. Undersigned counsel believes that with another 60-day cycle of mortgage information statements, the problems will have been worked out and resolved.

WHEREFORE, Debtors, John and Lynda Smith, so report to the Court.

Respectfully submitted,

/s/ Jana S. Pail

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